To: Professor Andy Ross

From: Dream Footwear, Antoni Díaz (CEO/CFO), Dani Guandique (CMO), Kyle Porter (COO)

Date: February 7, 2024

Re: Preliminary Strategic Plan – Dream Footwear

**Introduction**

At Dream Footwear, we strive to redefine footwear through comfort, style, and innovation. Through this memo you will find descriptions of our vision, mission, core values, objectives, primary strategy, competitive advantage, and business model. By aligning our efforts with this strategic framework, we aim to maintain our leadership in the market and deliver exceptional value to all stakeholders.

**Vision Statement**

Our vision is to be the go-to brand for affordable, high-quality athletic footwear, making active lifestyles achievable to everyone around the globe. Fearless Footwear, Accessible for All - Your Path to Performance!

**Mission Statement**

At Dream Footwear, we are innovators, designers, and champions of active living, dedicated to providing athletes and fitness enthusiasts of all levels with high-quality, sustainable athletic footwear. Our mission is to empower every individual to reach their peak performance and support their journey towards a healthier, more active lifestyle. We do this by leveraging cutting-edge technology, sustainable materials, and inclusive design to create footwear that not only boosts performance but also champions the health of our planet and the diverse needs of our global community. Why are we here? To inspire movement, foster environmental stewardship, and celebrate the spirit of athleticism in everyone, everywhere.

**Core Values**

Through these core values, Dream Footwear communicates our commitment to being more than just a footwear company. We are a brand that stands for ethical practices, innovation, inclusivity, customer satisfaction, and the promotion of health and well-being. Our focused low-cost strategy is not merely about offering affordable products; it's about making a positive impact on the lives of our customers and the world at large, ensuring that high-quality athletic footwear is accessible to all.

Innovation and Excellence: We strive to redefine what's possible in athletic footwear, constantly pushing the boundaries of design, functionality, and affordability. Our focus on innovation drives us to develop products that meet the high standards of excellence our customers deserve, without the high price tag. By leveraging cutting-edge technology and creative design thinking, we ensure that excellence in quality and performance is accessible to everyone.

Inclusivity and Diversity: At Dream Footwear, we celebrate the diversity of our customers and the global community. We are committed to creating products that cater to athletes of all backgrounds, abilities, and needs. Our approach to inclusivity extends beyond our product line to encompass our corporate culture and the partnerships we forge, promoting a world where everyone has the opportunity to achieve their athletic goals.

Customer-Centricity: Our customers are at the heart of everything we do. We are dedicated to understanding their needs, aspirations, and challenges. This customer-centric approach informs our product development, marketing strategies, and customer service. By listening to and valuing our customers' feedback, we ensure that we not only meet but exceed their expectations, providing them with affordable footwear that does not compromise on quality or style.

Health and Well-Being: Dream Footwear believes in the transformative power of sport and physical activity to enhance lives. Our mission extends beyond selling athletic footwear; we aim to inspire and support individuals in their journey towards a healthier, more active lifestyle. We advocate for the importance of physical well-being, encouraging our customers to pursue their fitness goals with confidence and support.

Integrity and Transparency [gives the company and identity]: Dream Footwear is built on a foundation of honesty and openness. We believe in doing business ethically, making decisions that are not only good for our bottom line but also right for our customers and the community. Our commitment to transparency means we are open about our manufacturing processes, pricing strategies, and the efforts we make to sustainably source materials. We hold ourselves accountable to our stakeholders, ensuring they can trust us to act with integrity in all our endeavors.

**Financial and Strategic Objectives**

Our financial objectives for the next 3 years include:

Year 11: Achieve a 10% increase in revenue by expanding our market presence and launching new product lines.

Year 12: Target a 15% revenue growth by enhancing global distribution channels and increasing market penetration in emerging markets.

Year 13: Aim for a 20% revenue increase through strategic partnerships, innovation, and diversifying our product portfolio.

Our strategic objectives for the next 3 years include:

Year 11: Achieve a 10% increase in revenue by enhancing style/features, increasing numbers of styles.

Year 12: Target a 15% revenue growth by enhancing global distribution channels and increasing market penetration in emerging markets.

Year 13: Aim for a 20% revenue increase through strategic partnerships, innovation, and diversifying our product portfolio.

**Primary Strategy Overview**

Our athletic footwear company adopts a focused low cost strategy combined with elements of sustainability and innovation. This strategy aims to distinguish our products and brand in the competitive market through innovative, high-quality, sustainable athletic footwear that appeals to a broad customer base, ranging from professional athletes to casual fitness enthusiasts.

**Sustainable Competitive Advantage**

Our sustainable competitive advantage is based on:

Innovation and Technology: Continuous investment in R&D to create cutting-edge, sustainable products.

Brand and Marketing: A strong brand identity built on quality, sustainability, and inclusivity.

Supply Chain Excellence: Efficient, responsible sourcing and production practices that reduce costs and environmental impact.

Customer Engagement: High levels of customer satisfaction and loyalty achieved through exceptional products and services.

**Business Model**

Our customer value proposition involves offering customers high-performance, environmentally friendly athletic footwear that doesn't compromise on style or functionality. Our value proposition centers on empowering individuals to pursue their fitness goals while supporting sustainable, ethical consumption.

Our profit formula is built on premium pricing strategies for differentiated, high-quality products, efficient supply chain management to control costs, and a global sales approach that leverages both online and retail channels for broad market access.

**Strategy Evaluation Questions**

For future evaluations of our strategy's effectiveness, we will consider:

Is the current strategy a winner? We will assess market share growth, revenue trends, customer loyalty metrics, and sustainability benchmarks.

Does it pass the competitive advantage test? Evaluating whether our innovation, brand strength, and sustainability practices continue to differentiate us from competitors.

The strategic fit test? Analyzing how well our strategic actions across different areas of the business are aligned and synergistic in reinforcing our competitive advantage.

The performance test? Measuring our financial performance against objectives, including profitability, ROI, and market share growth, to ensure the strategy is delivering desired outcomes.

By continuously evaluating our strategy against these criteria, we can ensure it remains robust, competitive, and aligned with our long-term vision and objectives for the athletic footwear company.

**Conclusion**

At Dream Footwear, we emphasize our unwavering commitment to producing high-quality shoes in an environmentally friendly and inclusive manner. Our aim is not only to maintain our position as a market leader but also to ensure that our customers are consistently satisfied with our products. By continuously assessing and refining our strategies, we are positioned to achieve our goals and contribute to a healthier lifestyle for our customers. With a focus on innovation, sustainability, and customer satisfaction, we are confident that Dream Footwear will continue to thrive in the dynamic footwear industry.